

**MINUTES  
ALTA TOWN COUNCIL MEETING & PUBLIC HEARING  
TRUTH AND TAXATION  
TUESDAY, AUGUST 5, 2014  
6:00 PM  
ALTA COMMUNITY CENTER  
ALTA, UTAH**

1. Paul Moxley, Mayor Pro Tempore, called the meeting to order at 6:00 P.M. Those present were Paul Moxley, Mayor Pro Tempore, Cliff Curry, Harris Sondak and Elise Morgan. Mayor Tom Pollard attended the meeting electronically for a short period of time.

Others present at this meeting: John Guldner, Kate Black and Mike Morey, Town staff, Marcus Dipppo, Town Treasurer, Karen Travis, Roger Bourke, homeowners, and Mark Haik, property owner. A videographer was also present and filming the meeting.

2. **PUBLIC HEARING** – To receive comments and questions on the proposed Certified Tax Rate and General Fund Budget for the Town of Alta for fiscal year 2014-2015.

Paul Moxley announced that this hearing has been noticed in accordance with state statute in the Salt Lake Tribune, the state public web site, the Town web site and has been posted throughout the Town of Alta.

Paul opened the floor to questions and comments from the public.

Roger Bourke would like to understand the rationale behind the increase in the tax rate.

Paul explained that in the June Town Council meeting the proposed increase in the tax rate was discussed and the 2014/2015 budget was passed that incorporated that rate - .001200.

Paul explained a bit of the history. The Town was given a tax rate of .001042 that it could set without going to a public hearing. That tax rate would have generated approximately \$292,000 in property tax revenue to the Town. Paul explained that of all the property taxes collected from a property owner in Alta, the Town only gets 9% of that total. Paul went on to explain that if the Town Council votes to increase the tax rate to .001200, the Town will collect an additional \$44,000 for a total of \$336,000 in property tax revenue.

Paul mentioned that the last property tax increase was in 2010/2011 or four years ago and since that time the Town has not only experience low snow years but high attorney's fees. Also, staff has not received any significant raises, minor improves on the municipal buildings need to take place, the contract with UFA has increased by 5%, the Town has seen incremental increases in the Town's insurance and health insurance costs and has purchased a new Polaris side by side.

The budget committee came up with a total general fund budget of \$1,580,000 and the budget committee felt that in order to reach that total, it recommended the Town raise its property tax rate. This would generate an additional \$44,000.

Paul and Marcus both mentioned that if you compare apples to apples, the Certified Tax Rate for Alta would be the lowest municipal tax rate In Salt Lake County.

Marcus explained that the Town's tax rate has had to decrease over the last couple of years due to re-appraisals and now the Town trying to refill the "bucket".

Karen Travis commented that the Town, instead of raising the tax rate, could tighten its belt and decrease expenditures. Karen says she has gone through some lean years in her business and has had to tighten her belt as a result.

Karen opined that the residents of Alta are being saddled with a huge county tax burden because of our very high evaluations set by the County. She asked the Council with what revenue would be generate using the tax rate from the County instead of increasing the tax rate/revenues.

Karen asked the Council if they had already decided before this hearing to raise the tax rate. Paul explained that the Council had a public hearing in June on this matter and chose to pass a budget that incorporates this higher tax rate. The Council may, after hearing from the public at this hearing, lower that tax rate and cut the budget.

Kate Black disconnected Mayor Tom Pollard from the meeting due to back ground noise. The Mayor was notified of this through a text message

Kate explained the Council may choose to lower the tax rate at this meeting but must offset that decrease in revenue by either using more of the unreserved fund balance to balance the budget or decrease some of the departmental expenditures. If the Council chooses to go this direction, the Council must amend the budget at this meeting to reflect those changes.

Paul opined that historically he has been opposed to property tax increases in Alta. Paul mentioned that many of the condo owners have taken their condos out the rental pool because they cannot compete with Snowbird's prices.

Karen commented that she would look more favorably to tax hike if she did not have to tighten her belt.

Cliff Curry commented that the way that Utah law is written, there is no increase factored in for inflation. Because the Town cannot increase its collections except by growth, the Town's collections have actually gone down from year to year.

Cliff commented on Karen's question about whether or not the Town has done everything it can to tighten its belt. Cliff explained that the budget committee went through a very agonizing process two years ago where every department of the Town was asked to cut things to the bone and they did.

Roger Bourke asked if the Town received a benefit from the increase in a property owner's assessed value of that property. Paul confirmed that that the Town does not see a benefit. Marcus Dippo further explained that if the property owner appeals their assessed value and wins, the Town receives less property tax than it budgeted and anticipated. Roger reviewed some of the increases in assessed values of properties inside the Town. They range from between 15% and 18%. Roger asked if the Town could go to bat for the residents to try to keep the assessed values from going up.

Roger Bourke commented that in some ways we are getting hit twice – the tax rate increase and the increase in assessed value on their homes.

Harris Sondak commented that there have been several years of inflation in prior years and there are probably going to be several more years of inflation between now and when the Town has another tax increase.

Mike Morey addressed the Council and the public as a department head. Mike explained that staff meets frequently and our goal is always to provide the best services to this Town. Mike opined that staff depends on the Council to give staff the tools to provide those services. It has been rough to provide quality services with the amount of money the Town has had available. Mike feels that staff has done its best to run on a bare bones budget and have eliminated a few employee benefits to accomplish those goals. Staff has forgone cost of living increases and has seen a reduction of health care coverage. Staff is doing what it can to control costs and at the same time provide quality services to this community.

Harris Sondak explained that this was the first time that he participated in putting the budget together and he thought the Mayor and Kate did a good job of trading off what was needed and not needed. Harris felt that there was time between the June Town Council and this hearing for the public to comment on the proposed budget and certified tax rate.

Kate Black commented that she did receive two phone calls from home owners asking for an explanation of the tax increase. After speaking with both, both decided that they were comfortable with the tax increase and where the money was going to be spent.

Roger Bourke suggested that the Town save money by not grading the summer road next year. Kate explained that the cost to provide that service was around \$1,500 and the cost of the dust control was \$5,000.

Kate explained that the first draft of the 14/15 budget was much bigger than the one that was passed. With a lot of hard work by the Mayor, Cliff, Harris, Marcus, John and herself, the budget was reduced by a considerable amount. Kate opined that the Town staff had not seen an increase in their salaries in some time and felt they deserved one. The increase in property tax revenue will enable the Town to provide for that increase. Kate explained that in the past three

years she has asked the budget committee to consider a tax increase and they have resoundingly said no – the budget committee has made it work without that increase.

Mark Haik opined that the public would be well served by the Council to have some basic economic metrics with regard to revenue of the Town over time and the various taxes. He believes that the general economy of the Town has flat lined. The Council should ask themselves is this situation good, bad, or just right. Mark felt the Council should also ask if they want greater economic activity over the greater period of the year. If the Town wants more revenue, what can it do to expand whatever economic activity will provide that revenue?

Elise commented that, although she is coming into the budgeting process toward the end the process, she wanted to know if the Town could assist the property owners with their increased assessed value. Elise is aware that some property owners have gone through the appeals process with the County Assessor and their values have been reduced.

Paul responded by saying that even though he is not on the budget committee, he would recommend increasing the tax rate as unpleasant as it is. Paul went on to say that the economy in Alta is being pinched from all directions.

Mark Haik went on to comment that he has been a long time consumer in Little Cottonwood Canyon and some of the Town's other marketplace competitors have made significant capital investments that are beneficial to their interest. As a result, Mr. Haik feels that those competitors have been successful in attracting either more people over a greater period of the year or greater numbers of people in a specific period of the year. Mr. Haik believes that as a result of those actions, those competitors have thrived economically. He feels that Alta is at a disadvantage because it has not proceeded in that direction.

Mr. Haik feels like the Town should put money into planning process so the Town can have substantive discussions how it can change things in Alta - have a more competitive economic environment in the Town.

Hearing no further discussions or comments, Paul Moxley closed the public hearing.

3. Resolution 2014-R-9: A resolution adopting the final General Fund Budget and Certified Tax Rate for the Town of Alta for fiscal year 2014-2015.

Kate Black explained that the resolution before the Council contains a blank in section two which will identify the certified tax rate that the Council decides to approve and impose for the tax year 2014.

**Paul Moxley made a motion to approve Resolution 2014-R-9 approving a certified tax rate of .001200 and the final budget for fiscal year 2014/2015. Cliff Curry seconded the motion and a roll call vote was taken.**

**Elise Morgan – aye  
Paul Moxley – aye  
Cliff curry – aye  
Harris Sondak – aye  
Tom Pollard – absent**

**The motion was unanimous and the motion was carried.**

4. Motion to adjourn.

**There was a motion by Harris Sondak to adjourn the Town Council meeting. Elise Morgan seconded the motion and it was carried.**

Passed and approved this 14th day of August, 2014.

s/Katherine S.W. Black, Town Clerk